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Honolulu, Hawaii

MAY 0 1 2015

RE: S.B. No. 1361

S.D. 2 H.D. 1 C.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1361, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO BUDGETING,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to increase transparency in the state budgeting process by:

- (1) Requiring the inclusion of program position ceilings and identification of permanent and temporary positions in the Executive and Judiciary budgets and related documents; and
- (2) Prohibiting the expenditure of funds on positions exceeding the applicable ceiling, subject to certain exceptions.

Your Committee on Conference finds that this measure will assist the Legislature in preparing more fiscally responsible budgets by ensuring that it receives accurate information. Further, this measure is intended to allow the Governor the flexibility to react quickly to pressing needs of the State by establishing civil service exempt positions in certain circumstances.

Your Committee on Conference has amended this measure by:

- Inserting a new section within chapter 76, Hawaii Revised (1) Statutes, providing that, with the approval of the Governor, the head of a department may establish and abolish any subordinate position for an employee engaged in a special, research, or demonstration project that is approved by the Governor, subject to the limitations of available appropriations, and making this section effective upon approval;
- (2) Inserting an effective date of July 1, 2016, for the rest of the measure; and
- Making technical, nonsubstantive amendments for the (3) purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1361, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1361, S.D. 2, H.D. 1, C.D. 1.

> Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

NAKASHIMA, Co-Chair

Co-Chair

GILBERT S.C. KEITH-AG

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Hawaii State Legislature

CCR76

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 1361, SD 2, HD 1					Date/Time: 29 4/29/15				
The recommendation of the House	and S	Senate	mana	gers i	s to pass with amendments (CD).	•			
☐ The Committee is reconsidering it	s prev	ious de	ecisio	n.					
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	Α	WR	N	Е	House Managers	A	WR	N	Е
KEITH-AGARAN, Gilbert S.C., Chr.	~				NAKASHIMA, Mark M., Co-Chr.				
TOKUDA, Jill N., Co-Chr.	~				LUKE, Sylvia, Co-Chr.	V			
GABBARD, Mike				/	LOPRESTI, Matthew S.				~
KOUCHI, Ronald D.				V	TUPOLA, Andria P.L.	V			
SLOM, Sam	V								
	Ī								
TOTAL	3			2	TOTAL	3			1
A = Aye $WR = Aye$ with Reservation									
Senate Recommendation is:					House Recommendation is:				
Adopted Not Adopted					Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
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